

COLLEGE STUDENT AID COMMISSION[283]

Notice of Intended Action

Proposing rule making related to rural veterinarian loan repayment program and providing an opportunity for public comment

The College Student Aid Commission hereby proposes to adopt new Chapter 27, “Rural Veterinarian Loan Repayment Program,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 261.3.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code chapter 261 as amended by 2020 Iowa Acts, House File 2398.

Purpose and Summary

The proposed rule making implements a new loan repayment program enacted in 2020 Iowa Acts, Senate File 2398.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any, pursuant to 283—Chapter 7.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Commission no later than 4:30 p.m. on September 1, 2020. Comments should be directed to:

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Phone: 515.725.3410
Fax: 515.725.3401
Email: mark.wiederspan@iowa.gov or administrative rules website at rules.iowa.gov

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental

subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Adopt the following **new** 283—Chapter 27:

CHAPTER 27

RURAL VETERINARIAN LOAN REPAYMENT PROGRAM

283—27.1(261) Rural veterinarian loan repayment program. The rural veterinarian loan repayment program is a state-supported and state-administered loan repayment program established to repay the eligible loans of veterinarians who agree to practice in service commitment areas or in veterinary shortage areas for four consecutive years and meet the requirements of these rules.

283—27.2(261) Definitions. As used in this chapter:

“Eligible loan” means the veterinarian's total subsidized, unsubsidized, and consolidated Federal Stafford Loan amount under the Federal Family Education Loan Program, Federal Direct Loan Program, or federal Graduate PLUS Loan, including principal and interest. Only the outstanding portion of a federal consolidation loan that was used to repay an eligible subsidized or unsubsidized Federal Stafford Loan qualifies for loan repayment.

“Eligible university” means a college or university that offers a veterinary medicine degree program; is eligible to participate in federal student aid programs authorized under Title IV of the federal Higher Education Act of 1965, as amended; and is accredited by the American Veterinary Medical Association Council on Education.

“Food supply veterinary medicine” means corporate and private practices devoted to food animal medicine, mixed animal medicine, food safety, epidemiology, public health, animal health, and other public and private practices that contribute to the production of a safe and wholesome food supply.

“Maximum award” means the maximum amount of loan repayments that the veterinarian can receive after completing all obligations under the rural veterinarian loan repayment program, not to exceed a total of \$60,000. The maximum award can be applied only to eligible loans; thus, payments cannot exceed the outstanding eligible loan balance at the time of payment.

“Service commitment area” means an Iowa city with a population of less than 26,000 that is located more than 20 miles from a city with a population of 50,000 or more. If a veterinarian is not working in a veterinary shortage area but is working in a service commitment area, the veterinarian must contract with the service commitment area to ensure the service commitment area provides a nonrefundable contribution equivalent to 12.5 percent of the veterinarian's eligible loan balance for deposit in the rural veterinarian trust fund. The veterinarian's eligible loan balance will be calculated after the program agreement is signed. Payment of the nonrefundable contribution to the trust fund can be made by, but is not limited to, the following organizations: community agencies, medical groups, municipalities, community foundations, local government entities, or other community entities. Locations and distances between cities will be consistently measured and verified by calculating the shortest travel distance on paved roads.

“Veterinarian” means an individual who holds a practitioner's license pursuant to Iowa Code chapter 169 and is engaged in the practice of veterinary medicine in a service commitment area or a veterinary shortage area in Iowa.

“Veterinary shortage area” means a designated veterinary service shortage in Iowa recommended for designation in accordance with the federal National Veterinary Medical Service Act and published by the United States Department of Agriculture. Data from the most recent year for which data is available will be used to award funds to new eligible applicants. In addition to the veterinary shortage areas published by the United States Department of Agriculture, the state veterinarian may designate additional veterinary shortage areas in Iowa. All veterinary shortage areas designated in a given year will be published by the commission prior to soliciting applications from eligible applicants.

283—27.3(261) Eligible applicant. An individual who is enrolled in the final year of a veterinary degree program at an eligible university or who has received a veterinary medicine degree from an eligible university within the past five years may sign a program agreement. The individual must commit to meeting the eligibility requirements described in rule 283—27.4(261).

283—27.4(261) Eligibility requirements.

27.4(1) In order to be considered an eligible veterinarian under the program, the eligible applicant must:

- a. Complete an application and sign a program agreement by the date(s) specified by the commission.
- b. Complete a doctor of veterinary medicine degree, or the equivalent, at an eligible university.
- c. Within one year of completing a doctor of veterinary medicine degree, or the equivalent, or signing a program agreement, whichever is most recent, an eligible applicant must have a permanent license to practice veterinary medicine under Iowa Code chapter 169 and engage in full-time practice as a veterinarian in a service commitment area or veterinary shortage area in Iowa.

Prior to engaging in the practice of veterinary medicine in a service commitment area or veterinary shortage area, the veterinarian must notify the commission of the service commitment area or veterinary shortage area in which the veterinarian will be engaged in veterinary practice, and the commission will verify the eligibility of the service commitment area or veterinary shortage area.

27.4(2) Eligible applicants not working in a veterinary shortage area. Prior to or upon engagement in full-time practice in a service commitment area, the veterinarian must contract with a service commitment area to provide a nonrefundable contribution for deposit in the rural veterinarian trust fund. The nonrefundable contribution must be received by the commission from a service commitment area prior to payment of any loan repayment awards.

27.4(3) Failure by the applicant to meet all eligibility requirements under this rule and in the program agreement will result in forfeiture of all remaining unpaid payments.

283—27.5(261) Priority for program agreements.

27.5(1) In the event that all on-time eligible applicants cannot be funded with the available appropriation, program agreements will be prioritized as follows:

- a. Eligible applicants who will practice as private practice food supply veterinarians in a veterinary shortage area and have graduated from an Iowa high school or completed private instruction under Iowa Code chapter 299A; followed by eligible applicants who will practice as private practice food supply veterinarians in a veterinary shortage area and have not graduated from an Iowa high school or completed private instruction under Iowa Code chapter 299A.
- b. Eligible applicants who will practice as private practice food supply veterinarians in a service commitment area and have graduated from an Iowa high school or completed private instruction under Iowa Code chapter 299A; followed by eligible applicants who will practice as private practice food supply veterinarians in a service commitment area and have not graduated from an Iowa high school or completed private instruction under Iowa Code chapter 299A.
- c. Eligible applicants who will practice as a veterinarian in a service commitment area and have graduated from an Iowa high school or completed private instruction under Iowa Code chapter 299A; followed by eligible applicants who will practice as veterinarians in a service commitment area and have not graduated from an Iowa high school or completed private instruction under Iowa Code chapter 299A.

27.5(2) In the event that all on-time eligible applicants within a priority group described in subrule 27.5(1) cannot be funded, eligible applicants within that priority group will be prioritized according to the date the application was received by the commission.

283—27.6(261) Awarding of funds.

27.6(1) The maximum award will be paid to the veterinarian's eligible loan holder in four equal installments, upon successful completion of each of four 12-month practice obligations. Failure to complete all, or any portion, of the four-consecutive-year practice obligation will result in the forfeiture of all remaining unpaid payments. A veterinarian who fails to meet the requirements of these rules may also be subject to repayment of moneys advanced by the service commitment area or veterinary shortage area as provided in any contract between the veterinarian and the service commitment area or veterinary shortage area.

27.6(2) An eligible applicant must annually complete and return to the commission an affidavit of completion of practice in a service commitment area or veterinary shortage area.

283—27.7(261) Waivers.

27.7(1) *Service commitment area or veterinary shortage area.* The commission may waive the requirement that the veterinarian practice in the same service commitment area or veterinary shortage area for four years as long as the veterinarian continues to practice in a service commitment area or veterinary shortage area. The veterinarian must request a waiver from the commission in writing.

27.7(2) *Postponement of veterinarian practice.* The veterinarian obligation to engage in practice in accordance with rule 283—27.4(261) may be postponed for no more than two years from the time full-time practice was to commence. The veterinarian must request a waiver from the commission in writing for one of the following purposes:

- a. Active duty service in the armed forces, the armed forces military reserve, or the national guard.
- b. Service in Volunteers in Service to America or the federal Peace Corps.
- c. A rural service commitment to the United States Public Health Service Commissioned Corps.
- d. A period of religious missionary work conducted by an organization exempt from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code.

The veterinarian obligation to engage in practice in accordance with rule 283—27.4(261) may be postponed for a period exceeding two years for any period of temporary medical incapacity, including leave approved under the Family and Medical Leave Act, during which the veterinarian is unable to engage in full-time practice. The veterinarian must request a waiver from the commission in writing.

27.7(3) *Satisfaction of the veterinarian practice obligation.* All obligations under the rural veterinarian loan repayment program are considered to be satisfied when any of the following conditions are met:

- a. All terms of the agreement are met.
- b. The person who entered into the agreement dies.
- c. The person who entered into the agreement, due to permanent disability, is unable to meet the requirements of these rules.
- d. The person who entered into the agreement has no remaining eligible loan balance to repay.

283—27.8(261) Loan repayment cancellation.

27.8(1) Within 30 days following termination of practice as a veterinarian in a service commitment area or a veterinary shortage area, the applicant must notify the commission.

27.8(2) The applicant is responsible for notifying the commission immediately of a change in contact information including, but not limited to, name, telephone number, email address, and location of practice.

283—27.9(261) Restrictions.

27.9(1) A veterinarian who is in default on a Federal Stafford Loan, Grad PLUS Loan, SLS Loan, Perkins/National Direct/National Defense Student Loan, Health Professions Student Loan (HPSL), or

Health Education Assistance Loan (HEAL) or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for loan repayment. Eligibility may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in appeal under the procedures set forth in 283—Chapters 4 and 5.

27.9(2) A veterinarian who participated in and received loan repayment awards through the veterinary medicine loan repayment program administered by the United States Department of Agriculture is ineligible to enter into a program agreement or receive loan repayment benefits under this program.

These rules are intended to implement Iowa Code section 261.120 as enacted by 2020 Iowa Acts, Senate File 2398.